

HIGH POINT CITY COUNCIL MANAGER'S BRIEFING

Monday, May 5, 2025 - 4:00 PM

Municipal Office Building

211 S. Hamilton Street

High Point, NC 27260

CALL TO ORDER

Mayor Jefferson called the Manager's Briefing to order at 4:01 p.m. and stated the following members were present:

Present: Mayor Cyril Jefferson, Mayor Pro Tempore Britt Moore, At-Large, Council Member Amanda Cook, At-Large, Council Member Vickie McKiver, Ward 1, Council Member Tyrone Johnson (arrived at 4:42 p.m.) Council Member Monica Peters, Ward 3, Council Member Patrick Harman, Ward 4, Council Member Tim Andrew, Ward 5, and Council Member Michael Holmes, Ward 6.

ADOPTION OF AGENDA

Council Member Holmes made a motion, seconded by Council Member Andrew, to adopt the agenda as presented. Motion carried with the following vote:

Aye: Mayor Jefferson, Mayor Pro Tempore Moore, Council Member Cook, Council Member McKiver, Council Member Peters, Council Member Harman, Council Member Andrew, and Council Member Holmes

Absent: Council Member Johnson

PRESENTATION OF ITEMS

2025-162 **Fiscal Year 2025-2026 Proposed Budget Presentation**
Staff will present the proposed FY 2025-26 Budget.

Tasha Logan Ford, City Manager, indicated that the strategic goals identified by Council at the November retreat had been incorporated into the FY 2025-26 budget. She pointed out that there were no increases in fees, except for increases in water and sewer utility fees. She referenced the current economic climate and the new positions included in the budget to ensure efficiency. She spoke on the new positions created for police department civilian traffic personnel and indicated that Budget and Performance Director, Stephen Hawryluk, would go into more detail. She said that staff would address any questions from Council in the first budget work session.

Mr. Hawryluk spoke on the proposed budget and said it had been balanced in accordance with North Carolina Statutes and that copies had been filed with the City Clerk and were available at the library and on the City website. He informed Council that there were hard copies, as well as digital copies available. He said there would be an item at the Council meeting later that evening to set the calendar and public hearing

for the budget discussions.

He provided an overview of the presentation and spoke on the goals and the strategic plan challenges. He pointed out that consumer confidence was down and the possible effect on revenue.

He went over a pie chart graphic of the total budget and noted that the general fund was the biggest piece. He spoke on the total budget and indicated he would go into more detail in subsequent budget sessions. He explained the revenue and expenditures of the total budget and explained that the operating expenses section included wholesale power costs, causing those numbers to be higher. He explained the 19 percent increase in the interfund transfer category involved water sewer capital changes.

Mr. Hawryluk provided an overview of the budget highlights and explained the property tax rate was split between the general fund and the debt service fund. He pointed out that there was no increase to stormwater fees or electric rates, but that there was a proposed 8 percent increase in water/sewer rates.

He went over the various increases to solid waste fees and spoke on the closure of the Northpoint Customer Service payment location and the elimination of business license fees. He explained that staff would educate citizens on other ways to pay and that the business license fee was administratively burdensome and hard to enforce.

In response to Mayor Jefferson, City Manager Ford said they would be repurposing the Northpoint location for other uses. She explained that with the upcoming update of certain systems, keeping the business license fee would increase the costs associated with the new programs. In response to Council Member Cook, Ms. Ford said that the Northpoint employees would not be laid off.

Mr. Hawryluk continued with the budget highlights and noted there would be more details provided in the first budget work session. He went over the sales tax and explained that High Point was unique because the city limits were in four different counties. He explained the differences in each county and projected that the ad valorem rate for Guilford County would increase by over 9 percent and High Point would see an additional \$716,000 in sales tax revenue.

In response to Council Member Cook, City Manager Ford spoke about the possible long-term effects of HB 305.

Mr. Hawryluk continued on with the overview of the budget highlights and noted the Mayor and City Council expense allowance had increased by 3 percent based on Consumer Price Index (CPI) changes. He said 6 million was allotted for vehicle and rolling stock replacements, and that included fire apparatus. He spoke about the annual non-profit funding and noted several entities that were not included.

City Manager Ford explained funding for the entities that were excluded from the non-profit funding allocation and mentioned the unallocated ARPA-enabled dollars that could be available. In response to Council Member Holmes, City Manager Ford said that the Southwest Renewal Foundation was the only one of the entities that had applied for non-profit funding in the past. In response to Council Member Cook, she said that the University of North Carolina at Greensboro (UNCG) housing group that helps with evictions did not say they would cease the current support offered to the community.

Mr. Hawryluk continued the budget highlights, speaking on the self-funded health insurance program and the increase in retiree contributions. He spoke on the integration of the strategic plan goals set by Council in November 2024 and said the budget will align as the plan evolves. He spoke about the different components of the strategic plan and budget items that align with the plan.

He spoke on the different components of the General Fund balance and pointed out the 4.4 percent increase from the previous year. He pointed out that personnel was the largest expense on the General Fund and spoke on city contributions for employees.

He gave an overview of the enterprise funds and explained the reasoning for the water and sewer increases. He talked about the Capital Improvement Program (CIP) and gave an overview of some of the proposed capital projects. He pointed out that the full list of proposed projects could be found in the appendix of the presentation and would be discussed at upcoming budget sessions.

He gave an overview of the upcoming calendar and indicated the tentative budget adoption would happen during the first meeting in June. He encouraged everyone to submit questions and that staff would generate responses at the next budget session.

2025-164 **Water Distribution and Water Quality Presentation**

Staff will provide information regarding the City's water supply and distribution process.

Damon Dequenne, Assistant City Manager, presented the item. He mentioned the comments from the public about water quality at a recent Council meeting. He said staff were working on a campaign to educate the public about water quality and the water system process.

He went through the water process used by the City of High Point and shared a water distribution map. He spoke on the main water sources, including Arnold Koonce City Lake and Oak Hollow Lake.

He addressed the assertion that the water quality was terrible in certain locations and pointed out that all the City water came from the same sources and the issue could be a problem specific to the dwelling and not a citywide problem.

He gave an overview of the regulatory permitting process and laboratory services for water quality testing. He spoke on the lab and the chemists and encouraged Council Members to come out and take a tour of the lab.

He indicated that the annual water quality report would be mailed to every customer in the city and highlighted the findings showing that High Point city water continued to be safe. He thanked staff for all of their hard work in ensuring the safety of the water and providing excellent customer service.

In response to Council Member Cook regarding the community comments about water quality, Mr. Dequenne explained that Public Services Director, Robby Stone, followed up with the Southside community members the following day. He said the calls had not been returned even after multiple follow-up calls. Council Member Peters mentioned she had also reached out with limited response. In response to Council Member Cook, Mr. Dequenne said staff could educate residents about the harm of installing outside filters. Mayor Jefferson thanked Council Members and staff for reaching out to the community members.

ADJOURNMENT

There being no further business to come before the City Council, the meeting adjourned at 5:09 p.m.

Respectfully Submitted,

Cyril Jefferson, Mayor

Attest:

Alison Glynn, Deputy City Clerk